The Municipality of
Metropolitan Toronto

Metropolitan Community Services Department
City Hall, East Tower, 5th Floor
Toronto, Ontario, Canada M5H 2N1
Telephone: (416) 947-8302

J. Richard Picherack, Commissioner

16

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TO: The Community Services and Housing Committee

FROM: Deputy Commissioner, Community Services

SUBJECT: Report of the Liaison Committee on Neighbourhood Support Services

METROPOLITAN TORONTO
Reference

Comments

The Community Services and Housing Committee, at its meeting of May 18, 1983, directed the Commissioner of Community Services to establish a Liaison Committee on Neighbourhood Support Services for the purpose of reviewing and clarifying concepts and service issues in the report entitled "Neighbourhoods Under Stress". The terms of reference for the Liaison Committee were subsequently approved by Community Services and Housing Committee at its meeting on September 27th, 1983.

Over the past seven months, the Liaison Committee examined the funding of community organizations.

The major finding is that with respect to voluntary organizations, there appears to be a variety of funding sources at different levels of government and in the voluntary sector. However, in most cases, these sources provide only program-specific and/or project-specific funding, and may or may not cover basic administrative costs involved in operating an organization. This type of funding has been particularly problematic for organizations known as neighbourhood support groups. These groups provide services at the neighbourhood level, and promote involvement of local residents in the management and delivery of services. Typically, they are small neighbourhood or community centres which offer a variety of services to residents. The critical problem which these groups face is inadequate core administrative support necessary for maintaining the very existence of the organizations.

At present, the United Way and the Municipality of Metropolitan Toronto are the main sources for core funding of community organizations. The provincial government in some cases does provide core support. However, each funder individually does not have the resources to provide the level of support required to maintain the viability of neighbourhood support groups.

In order to provide stability in funding for neighbourhood support groups, a cost-shared funding program with participation from the Province, United Way, and the Municipality of Metropolitan Toronto is proposed in the attached report of the Liaison Committee.

In 1982, the Municipality of Metropolitan Toronto reviewed the Social Services Grants Program and recognized the need for a core funding stream. A proposed cost-sharing funding scheme for neighbourhood support groups would fit under the general objectives and organization of the existing Metropolitan Social Services Grants Program. United Way staff have participated in the preparation of this report; however, the United Way Board has not yet reviewed the proposal. For the Province, this proposal may offer an opportunity to consolidate and rationalize current funding of neighbourhood support groups.

Recommendations

It is therefore recommended that

(1) the attached report of the Liaison Committee be approved in principle;

(2) the Commissioner of Community Services be authorized to consult and negotiate with the Province, the United Way, and other potential funders such as the area municipalities and other voluntary sector funders with a view to encouraging their participation in the proposed funding of neighbourhood support groups; and

(3) reports on the above consultations be made to the Metropolitan Community Services and Housing Committee by September 1984.

Deputy Commissioner of
Community Services

REPORT OF THE LIAISON COMMITTEE ON NEIGHBOURHOOD SUPPORT SERVICES

March, 1984

(1) BACKGROUND

The Liaison Committee on Neighbourhood Support Services, was established in July, 1983 after the Metro Community Services and Housing Committee directed its staff to review and clarify, in consultation with other funders, the concepts outlined in the Report of the Joint Task Force on Neighbourhood Support Services.

The Liaison Committee was chaired by Maureen Quigley, Director, Policy and Planning Division, Metropolitan Community Services Department. Two representatives from each of the Joint Task Force, United Way of Greater Toronto and Metro Community Services Department comprised the Liaison Committee membership as outlined in Appendix 1.

In undertaking its work, the Liaison Committee concentrated on items of the Terms of Reference which called for the development of operational definitions for core funding and for neighbourhood support groups, as well as a funding proposal based on research to-date. The Terms of Reference for the Liaison Committee are presented in Appendix 2.

It was concluded that discussions with representatives from other potential funders should be held following the development of such a proposal in order to ensure that fairly specific discussions could take place.

The attached report of the Liaison Committee is a product of seven months of deliberation and investigation, which included two full days of field visits to ten sample neighbourhood support groups across Metro. The Committee held ten meetings between July, 1983 and February, 1984 to review the report of the Joint Task Force, together with background material prepared by Metropolitan Toronto Community Services Department, to examine funding patterns and data, to clarify assumptions and formulate recommendations.

(2) WHAT ARE NEIGHBOURHOOD SUPPORT GROUPS?

The Report of the Joint Task Force on Neighbourhood Support Services offered the following definition for a neighbourhood support group:

> "Locally initiated activities, controlled by participants and residents which enable people to cope with daily needs and contribute to community life".

The Liaison Committee identified five key features which, though not definitive, taken together do capture the essence of these groups and provide an operational definition:

(a) A neighbourhood support group is "grassroots". It operates on a local scale and its goals are based on the specific needs of a particular neighbourhood. This neighbourhood is defined typically by geography; however it can be defined by a community of interest (e.g. an ethnic community);

(b) A neighbourhood support group is locally controlled, governed by people who use the services and live in the area. It can demonstrate community support by the contributions of time, money and physical facilities. Through the process of local management and reliance, at least in part, on local resources, community leadership emerges and is strengthened. A community development component is an explicit and essential feature of a neighbourhood support group;

(c) Neighbourhood support groups promote "give and take", often called "reciprocity". Participants not only receive service and support such as a program for their children, but often contribute their own time and skills, whether leading a craft class or serving on the Board. These activities encourage a stronger sense of self and empower people to contribute to their community in a variety of ways;

(d) Neighbourhood support groups are easily accessible. Unlike client-oriented situations, people can participate or receive help as needed without restrictive intake criteria. Since there are usually a variety of programs - some structured, others informal - such groups can meet a range of needs. They provide multiple benefits to people who participate and are often mobilized to contribute their own resources to meet needs identified in their community;

(e) Neighbourhood support groups strengthen the community as new informal networks for mutual support are established. People from diverse backgrounds get the opportunity to work together and develop their skills. Hence, new leadership emerges to address other community problems.

It is the way in which neighbourhood support groups operate rather than the specific programs they provide which distinguish them from other organizations within the voluntary sector. For instance, a seniors home support program which is delivered by paid staff exclusively, is not locally controlled and does not promote reciprocity and community development, would not be defined as a neighbourhood support group. Another home support program which does encourage community participation and is locally controlled might well fit the operational definition of a neighbourhood support group.

(3) WHY A NEW FUNDING SOURCE FOR NEIGHBOURHOOD SUPPORT GROUPS?

The Liaison Committee's original intention was twofold:

- To confirm the role of neighbourhood support groups as a unique and essential component of our social service system.

- To determine the appropriate level and scope of any public and voluntary sector funding initiative by documenting the funding gap between the current resources for such groups and demonstrated funding requirements.

Using the data that was available to the Liaison Committee, the Committee unanimously arrived at two conclusions: neighbourhood support groups should be supported as a vital component of our social services system and, a new source of funding is needed to minimize the shortfall in funding which these groups currently experience for their core requirements and community development component.

This report presents its case in accordance with these two conclusions.

(i) Neighbourhood Support Groups Have a Vital Role in Social Services Systems:

Since the 1970's we have seen the rise of many neighbourhood support groups across Metro in response to problems related to social isolation. There is a strong case to be made that neighbourhood support groups can serve to counteract the growing personal isolation and alienation apparent in our society. A good deal has been written about the broad range of social, psychological and economic problems of isolated and alienated groups, and the impact of these problems on society as well as the individual. There is no agreement as to the "correct" public policy solution. What is acknowledged is that "self-help" groups do have merit, do bring peers together for mutual assistance and enable them to cope with daily living problems.

The Committee has concluded that an investment of public funds is necessary so that this sector can develop and its potential contribution as a preventive force in our social services system may be properly assessed.

In reaching this conclusion the Committee accepted certain basic premises about voluntary action and current social and economic forces. These assumptions are summarized here:

- Voluntary action provides a vital avenue through which citizens express their sense of caring and compassion for one another. Because it provides the opportunity for people to share problems and find new ways of solving those problems together, voluntarism is a cherished feature of Canadian life.

- Neighbourhood groups, which rely on local control and local participation, promote the values inherent in voluntary action. Peter Berger and Richard Neuhaus, in their book, "To Empower People: the Role of Mediating Structures in Public Policy" assert that such groups are actually "essential for a vital democratic society".

- Because they foster community involvement and mutual support, neighbourhood support groups can prevent or alleviate problems at an early stage and achieve the many social and economic benefits associated with preventive action.

- Prevention should be given higher priority in social and health policy. Preventive programs are acknowledged to be both more humane and to have the potential for saving money. Many neighbourhood support groups clearly fall into the prevention category.

- Three trends (cited by John Naisbitt in his book "Megatrends") affirm the growing importance of neighbourhood groups: the shift in values from centralization or "top-down" to local "bottom-up" initiatives and participation; the move from an institutional 'cure the problem' approach to preventive, self-help efforts; and the increasing emphasis upon participative democracy rather than representative democracy. In short, the themes of community involvement, self-help and prevention are critical ones in the search for a new direction for human service policies.

- Neighbourhood support groups are an integral part of their community and the social service field. Many agencies now work with local community groups to assist them in developing self-help programs. Neighbourhood support groups have become recognized as the new front-line for social problems. Hospitals and other institutions routinely discharge patients to the community, based on the assumption that somebody "out there" will help them to adjust to community living. Government policies on "deinstitutionalization" in health and social services recognize the need for community alternatives.

- At the same time, the political and economic climate is one of restraint. The Ontario government's policy of restraint and "leaner social services" may, on the surface, seem inconsistent with proposals for a new funding source for neighbourhood groups. However, a proposal for limited public investment to promote private initiative, self-help and voluntarism is both opportune and appropriate.

- Some government assistance is necessary for a balanced public/private partnership. Many neighbourhood groups do not have the resources to function effectively without assistance. The report of the Joint Task Force, "Neighbourhoods Under Stress", describes the funding plight faced by many neighbourhood support groups as a "crisis of survival". Everyone familiar with these organizations acknowledges the funding problems created by the absence of secure core funding and dependence on project funding.

(ii) Neighbourhood Support Groups Lack Sufficient, Stable Core Funding:

In clarifying the funding situation of neighbourhood support groups, the Liaison Committee reviewed material from two perspectives. First, existing sources of funding available to the voluntary sector generally were analyzed and conclusions were drawn from this review for neighbourhood support groups, in particular. Second, an analysis was undertaken of a sample survey of organizations that appeared to meet the definition of a neighbourhood support group.

Before proceeding to present the findings, it is useful to clarify some general terms used in the review and to outline the nature of the funding crisis identified by the community groups. This section closes with a number of conclusions regarding the impact of this funding pattern on neighbourhood support groups.

The main problem identified by community groups is the constant scramble for funds just to keep the organization alive. Often, inappropriate sources of funding such as project funding or program funding are sought to maintain basic administrative costs.

It is commonly understood that project funding can be defined as short-term, time-limited support for specifically identified and defined pieces of research or program/service proposals. It is usually referred to in any of the following ways - innovation, demonstration or seed funding. The maximum period of support for project funding is normally one to two years.

Program funding can be differentiated from project funding by virtue of its support for specific programs or services which are often mandated by legislation, for example - daycare programs, hostel services, homemaker services. A number of the services under the program funding mechanism are cost-shared amongst the three levels of government namely, federal, provincial and municipal governments.

Core funding is commonly used to refer to the basic administrative costs of an organization. Typically, this includes rent, utilities, office supplies and salaries of a coordinator and secretary.

While the more traditional agencies tend to experience difficulty in achieving an adequate level of core funding, this situation is often exacerbated in the case of a neighbourhood support group since its distinguishing features such as local control, reciprocity, etc., also require ongoing development and funding. Generally, this is accomplished by means of community development strategies which may include local organizing, an outreach function, and advocacy work.

The critical funding issue for neighbourhood support groups is the lack of a recognized stable source of funding for both core expenditures and for the community development component which is described above as essential to a functioning neighbourhood support group.

(a) Current Funding Sources and Patterns

This Chart outlines the significant potential sources of funding for voluntary community organizations. While the Chart would suggest a multitude of available funding sources, these sources are normally program or project-specific and may, or may not, cover some or all of an organization's basic operating costs.

CHART: POSSIBLE FUNDING SOURCES FOR VOLUNTARY COMMUNITY ORGANIZATIONS **

A) FEDERAL - BY DEPARTMENT

SECRETARY OF STATE
- -Voluntary Action Program
- -Disabled Persons Participation
- -Human Rights
- -Cultural Enrichment Program
- -Cultural Integration Program
- -Integration-Communications Program
- -Group Development Program

CANADA EMPLOYMENT & IMMIGRATION
- -Immigrant Settlement & Adaptation Program
- -Canada Works Program
- -Job Corps Program
- -Career Access Program
- -Local Employment Assistance and Development Program (LEAD)
- -Employment Outreach Program

HEALTH & WELFARE
- -Family Planning
- -New Horizons
- -Canada Assistance Plan
- -Demonstration Projects

JUSTICE
- -Consultation & Development
- -Legal Aid; Special Projects

B) PROVINCIAL - BY MINISTRY

CULTURE & CITIZENSHIP
- -Newcomer Integration
- -Community Information Centres
- -Intercultural Development
- -Wintario (in some cases)
- -Citizenship Development Grants Program

COMMUNITY AND SOCIAL SERVICES
- -Ministry Act
- -Community Support Program
- -Elderly Persons Centres Act (EPC)
- -Day Nurseries Act
- -Children's Mental Health Act
- -Employment Programs
- -Institutions & Residential Services Act
- -Mental Retardation Programs

HEALTH
- -Ministry Act
- -Community Health Cntrs.

YOUTH SECRETARIAT
- -Youth Employment Services

CORRECTIONS
- -Community Services Orders
- -Community Volunteer Programs

ATTORNEY GENERAL
- -Ontario Legal Aid Program

C) METRO - BY TYPE OF GRANT

SOCIAL SERVICE GRANTS
- -Core or program support as per agency's primary activities

ELDERLY PERSONS GRANTS
- -in conjunction with Provincial grants to EPC's and home-support programs

DEVELOPMENTAL GRANTS
- -for new and emerging groups; short-term
- -new services and programs

MULTICULTURAL GRANTS
- -for non-social services; project-oriented

D) AREA MUNICIPAL - BY COMMONLY EMPLOYED CATEGORIES

RECREATION CATEGORY | **ARTS & CULTURE CATEGORY** | **SOCIAL SUPPORT CATEGORY** | **OTHER CATEGORY**

E) VOLUNTARY SECTOR - BY NAME OF ORGANIZATION

UNITED WAY | **CATHOLIC CHARITIES** | **TORONTO JEWISH CONGRESS**

F) FOUNDATIONS - BY PURPOSE/TYPE

GENERAL PURPOSE FOUNDATIONS | **SPECIAL PURPOSE FOUNDATIONS** | **CORPORATE OR COMPANY SPONSORED FOUNDATIONS** | **COMMUNITY FOUNDATIONS** | **FAMILY FOUNDATIONS**

** This chart indicates common sources of funding. It is not intended to be comprehensive.

Despite the apparent wide diversity of funding sources, a review of these sources confirms the lack of core funding available to community organizations as follows:

- Traditional federal funding for social services under the Canada Assistance Plan is limited to those services which are approved by the Province for cost-sharing. In Ontario, therefore, this tends to be limited to the welfare assistance stream of the Plan as opposed to the "services" stream.

- At the provincial level, at least four different Ministries are involved. None of these recognize neighbourhood support groups as a separate entity within the voluntary sector such that funding sufficient to cover their basic administrative expenses is provided.

- The Municipality of Metro Toronto, in recent years, has attempted to improve its grants programs by clarifying the eligibility criteria and review process and by establishing a development grants program. However, funding to voluntary organizations by the Municipality will always be limited because the funds are provided from the property tax base.

- Due to the nature of local funding which varies considerably between area municipalities in terms of dollars available, services funded and application procedures, it is difficult to assess how much of this funding could be considered as operating support towards core and community activities, although quite a number of groups do receive some limited funding from this source.

- The primary source of stable ongoing funding for voluntary organizations has been the United Way. Member agencies receive core funding support. 1984 is the first time in four years that new member agencies will be admitted. Consequently, this source of continuing support has not been available during that period to emerging community groups.

- Other major voluntary sector funders provide support based on religious affiliation. Catholic Charities provides core support to 18 Catholic organizations as well as some limited, short-term project funding. The Toronto Jewish Congress provides funding for programs and outreach projects on an ongoing basis through 11 Jewish community organizations.

- Although voluntary community organizations raise some small amounts of money through donations and special events or, receive special project funding from foundations, churches and corporations, this funding is generally short-term.

(b) Analysis of Sample Survey

The Liaison Committee undertook an analysis of a sample of organizations to determine the impact of these general trends on specific groups. To simplify the work, community organizations funded under the Metro Social Services Grants program were reviewed. Although this was a selective sample in that it was drawn from one source and all groups received Metro funding, the analysis proved instructive.

First, the definition of "neighbourhood support groups" was applied to the 123 organizations on a somewhat limited basis according to the data that was available immediately to the Liaison Committee. The findings suggested that of the 123 groups, approximately 41 fit the definition and a further 17 could be said to be "potential" neighbourhood support groups.

In its 1982 report, "Neighbourhoods Under Stress", the Joint Task Force estimates that a typical neighbourhood support program's operating budget for core costs and community/neighbourhood development activities is over $60,000. in order to provide salaries, benefits, office operations, etc. Their estimate was based on a survey of one-hundred community groups (of which approximately 1/3 received funding under Metro Social Services Grants).

For purpose of the analysis in this report, therefore, organizations receiving more than $60,000 in core support were excluded. Of the 41 groups which fit the operational definition, 14 of the more established organizations appear to exceed that level.

The remaining 27 groups comprised the sample cases. Their funding sources were reviewed and secure funding received which could be used for core expenses was identified. The analysis revealed the following:

- Less than half of the sample cases receive federal funding and this is time-limited or specific to job-creation projects.

- Provincial funding is provided to approximately half of the groups. In only three cases, the funding is ongoing and secure and could be said to contribute to core costs.

- The current level of funding from the Municipality of Metro Toronto, ranges from $6,000 to $26,260 with an average grant size of $12,460.

- Funding from area municipalities in Metro is given to neighbourhood support groups in 19 of the 27 sample cases. An analysis demonstrates that the average grant size from area municipalities in the category of 'social supports' is $4,070.

- Only 3 of the 27 sample cases are United Way member agencies and their funding ranges from $25,000 to $50,000.

To the extent that a scenario of a typical neighbourhood support group can be sketched from this analysis, it portrays an organization which is dependent on many funding sources. On average, it operates with only $16,500 as a secure operating budget ($12,500 from Metro and $4,000 from the local area municipality), receives substantial support from special project funds and yet, is unable to pay even minimum wage salaries to its skeletal, permanent staff.

CONCLUSIONS:

The effects of these funding patterns and trends have compelled neighbourhood support groups to:

(a) conform to the requirements of existing program funding provisions which may be inappropriate to the real needs of their particular communities;

(b) attempt to assemble adequate core funding from multiple, insecure sources;

(c) spend an inordinate amount of time engaged in private fund-raising activities which divert human energies from developmental work in the community;

(d) interrupt and sometimes discontinue their service to the community.

The Liaison Committee, therefore, confirms the basic finding of the report, "Neighbourhoods Under Stress", which documents the need for neighbourhood support groups to acquire sufficient operating budgets through a stable, public funding source which is non-program, non-project specific.

(5) PROPOSAL FOR DISCUSSION

While program-specific and project-specific funding enables voluntary organizations to provide a range of specific services, it is important to recognize that there is a gap.

A source of funding for core expenditures and community development initiatives of neighbourhood support groups should be established through the joint efforts of the public and voluntary sectors. Any new funding source should be phased into the system over three years, with evaluation built in from the beginning of implementation.

The Liaison Committee presents the following proposal for discussion:

(1) a Neighbourhood Support Grants program be established for a three-year period commencing in 1985;

(2) the Neighbourhood Support Grants Program be jointly funded by the Province, Municipality of Metropolitan Toronto and United Way of Greater Toronto, with cost sharing as follows: Province -50%, Metropolitan Toronto - 25%, and United Way - 25%, to a total of $500,000. The Metropolitan Toronto portion in 1985 would, therefore, be $125,000;

(3) area municipalities and other potential funders such as the Federal Government and additional voluntary sector funders be encouraged to participate in the Neighbourhood Support Grants Program operation;

(4) a Neighbourhood Support Review Board be established to oversee the program. The Board would include, in the first year, two representatives from each of the three major funding bodies and representatives from other funders if appropriate;

(5) the Review Board develop eligibility criteria based on the operational definition outlined in this report and the funding requirements. The Board would also develop procedures for application and assessment; and

(6) an evaluation design be built-in to the Neighbourhood Support Grants Program in ongoing consultation with the Joint Task Force on Neighbourhood Support Services.

APPENDIX 1

Members of the Liaison Committee on Neighbourhood Support Services

Chair:	Ms. Maureen Quigley, Director Policy and Planning Division Metro Commu ity Services Department
United Way:	Ms. Anne Golden Ms. Mary Lewis
Joint Task Force on Neighbourhood Support Services:	Mr. Peter Clutterbuck Mr. Malcolm Shookner
Metro Community Services:	Ms. Shirley Hoy Ms. Rosanna Scotti
Staff Support:	Ms. Laurie McQueen

APPENDIX 2

Terms of Reference for the Liaison Committee on Neighbourhood Support Services

The Terms of Reference for the Liaison Committee are as follows:

(1) review and clarify the concepts and service categories defined in Neighbourhoods Under Stress, including site visits to selected programs;

(2) develop an operational definition of core funding and neighbourhood support programs which respects their range and diversity, and their importance in terms of neighbourhood development as well as direct individual and family support;

(3) review the analysis to be prepared by the Department of current funding sources for neighbourhood support programs as defined in (2) above;

(4) meet with representatives from:

(a) the area municipalities
(b) the provincial Ministries of Community and Social Services; Citizenship and Culture; Municipal Affairs and Housing; and Health
(c) the Federal Department of Secretary of State; Canada Employment and Immigration; and Health and Welfare

to discuss their current and potential funding policies with respect to neighbourhood support programs;

(5) identify options available as a result of consultations to secure immediate core funding for neighbourhood support programs; and

(6) identify outstanding issues and longer term strategies required to rationalize the funding of neighbourhood support programs.